

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02514A
Quail Creek Water Company
9532 East Riggs Road
Sun Lakes AZ 852487411

RECEIVED

MAY 17 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) <u>Quail Creek Water Company Inc</u>			
Mailing Address <u>9532 E Riggs Road</u>			
(Street)			
<u>Sun Lakes</u>	<u>Arizona</u>	<u>85248</u>	
(City)	(State)	(Zip)	
<u>(480) 895-9200</u>	<u>(480) 895-4347</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>1425 N Quail View</u>			
(Street)			
<u>Green Valley</u>	<u>Arizona</u>	<u>85614</u>	
(City)	(State)	(Zip)	
<u>(520) 825-3423</u>	<u>(520) 825-0712</u>	<u>(520) 932-5887</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>James Poulos</u>		<u>General Manager</u>	
(Name)		(Title)	
<u>9532 E Riggs Road</u>	<u>Sun Lakes</u>	<u>Arizona</u>	<u>85248</u>
(Street)	(City)	(State)	(Zip)
<u>(480) 895-9200</u>	<u>(480) 895-4347</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Ed Baker</u>			
(Name)			
<u>40,004 S Ridgeview Blvd</u>	<u>Tucson</u>	<u>Arizona</u>	<u>85739</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 825-5515</u>	<u>(520) 825-0712</u>	<u>(520) 932-5887</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: FC Services Corporation

(Name)

3003 N Central Ave #2600

Phoenix

Arizona

85012-2913

(Street)

(City)

(State)

(Zip)

(602) 916-5000

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Marty Aronson

(Name)

One E Camelback

Phoenix

Arizona

85012

(Street)

(City)

(State)

(Zip)

(602) 263-2972

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Quail Creek Water Company Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	37,295	22,253	15,042
303	Land and Land Rights	92,895	0	92,895
304	Structures and Improvements			
307	Wells and Springs	169,471	100,372	69,099
311	Pumping Equipment	97,206	80,100	17,106
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	188,737	68,316	120,421
331	Transmission and Distribution Mains	865,089	203,530	661,559
333	Services	110,132	4,413	105,719
334	Meters and Meter Installations	7,272	1,820	5,452
335	Hydrants	79,519	12,194	67,325
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	6,000	6,000	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	30,355	9,217	21,138
	TOTALS	1,683,971	508,215	1,175,756

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME

Quail Creek Water Company Inc

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	37,295	.0400	1,492
303	Land and Land Rights	92,895	0	0
304	Structures and Improvements			
307	Wells and Springs	169,471	.0458	7,766
311	Pumping Equipment	97,206	.0704	6,843
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	188,737	.0263	4,969
331	Transmission and Distribution Mains	865,089	.0201	17,357
333	Services	110,132	.0113	1,242
334	Meters and Meter Installations	7,272	(.0034)	(25)
335	Hydrants	79,519	.0173	1,372
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	6,000	0	0
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	30,355	.2022	6,138
	TOTALS	1,683,971	.0280	47,154

This amount goes on Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME	Quail Creek Water Company Inc
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BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 58,007	\$ 20,197
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies	33,056	50,364
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	776	1,378
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 91,839	\$ 71,939
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,370,369	\$ 1,683,971
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	461,062	508,215
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 909,307	\$ 1,175,756
	TOTAL ASSETS	\$ 1,001,146	\$ 1,247,695

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 10,937	\$ 18,638
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	2,558	81,382
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	112,292	166,816
	TOTAL CURRENT LIABILITIES	\$ 125,787	\$ 266,836
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ -	\$ -
	TOTAL LIABILITIES	\$ 125,787	\$ 266,836
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 3,500	\$ 3,500
211	Paid in Capital in Excess of Par Value	695,896	695,896
215	Retained Earnings	175,963	281,463
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 875,359	\$ 980,859
	TOTAL LIABILITIES AND CAPITAL	\$ 1,001,146	\$ 1,247,695

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 188,691	\$ 300,207
460	Unmetered Water Revenue		
474	Other Water Revenues	12,483	11,325
	TOTAL REVENUES	\$ 201,174	\$ 311,532
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 20,646	\$ 24,624
610	Purchased Water		
615	Purchased Power	13,727	22,002
618	Chemicals		592
620	Repairs and Maintenance	3,736	4,775
621	Office Supplies and Expense		
630	Outside Services	950	2,568
635	Water Testing	2,795	2,703
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	2,330	2,525
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	5,046	7,920
403	Depreciation Expense	33,098	47,154
408	Taxes Other Than Income		
408.11	Property Taxes	4,574	5,790
409	Income Tax		77,457
	TOTAL OPERATING EXPENSES	\$ 86,902	\$ 198,110
	OPERATING INCOME/(LOSS)	\$ 114,272	\$ 113,422
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$ 1,911
421	Non-Utility Income		1,219
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	327	366
	TOTAL OTHER INCOME/(EXPENSE)	\$ (327)	\$ 2,764
	NET INCOME/(LOSS)	\$ 113,945	\$ 116,186

COMPANY NAME

Quail Creek Water Company Inc

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 164,796

Meter Deposits Refunded During the Test Year

\$ 17,357

COMPANY NAME Quail Creek Water Company Inc

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-608597	75	425	459	16	8	1952
55-608522	125	675	2,000	20	8	1974

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
		54	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
750,000	1		

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS			CUSTOMER METERS	
Size (in inches)	Material	Length (in feet)	Size (in inches)	Quantity
2			5/8 X 3/4	
3			3/4	584
4	PVC	360	1	92
5			1 1/2	3
6	PVC	26,738	2	4
8	PVC	5,843	Comp. 3	
10			Turbo 3	
12	PVC	20,787	Comp. 4	
6	DIP	269	Tubo 4	
21	Transite	4,225	Comp. 6	
			Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME: Quail Creek Water Company Inc

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	486	2,906,405	3,441
FEBRUARY	486	3,042,528	3,366
MARCH	506	3,612,333	3,688
APRIL	506	6,594,935	6,663
MAY	538	5,957,061	6,108
JUNE	569	7,476,810	7,701
JULY	569	7,014,949	7,398
AUGUST	589	6,635,687	8,265
SEPTEMBER	616	7,189,500	7,635
OCTOBER	632	5,573,686	5,867
NOVEMBER	645	5,591,794	5,948
DECEMBER	667	4,315,440	4,421
TOTAL		N/A	70,501

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(☒) Yes () No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (☒) No

If yes, provide the GPCPD amount:_____

What is the level of arsenic for each well on your system. see below mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

Well #11 < .003 PPM

Well #13 < .003 PPM

COMPANY NAME Quail Creek Water Company Inc **YEAR ENDING 12/31/2003**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 5,192.40

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

9532 E Riggs Rd
Sun Lakes, AZ 85248-7411

Bank One, NA
201 N Central Ave Dept 383
Phoenix, AZ 85038

91-2/1221

300401

Pay

Date	Amount
04/04/03	\$*****2,268.30

TWO THOUSAND TWO HUNDRED SIXTY EIGHT AND 30/100 *****

Dollars

To **BETH FORD, PIMA COUNTY TREASURER**
The **P O BOX 98765**
Order **PHOENIX AZ 85038-0765**
Of

304-29136A, 951-6390/04

SIGNATURE HAS A COLORED BACKGROUND • BORDER CONTAINS MICROPRINTING

11 30040 11 1221000241084 1 533 11

0000 2 26830

SHOWN IN THE ENDORSEMENT AREA. SEE BELOW FOR ADDITIONAL SECURITY FEATURES.
 ENDORSE HERE
 X
 FOR DEPOSIT ONLY
 U.S. PATENT NO. 5532930/5575508/5641183
 412-124150
 U.S. PATENT 5532930/5575508/5641183
 1. ABSENCE OF PINK IN THE FACSIMILE OF THE FINGERPRINT AND THE SEAL SHOWN IN THE ENDORSEMENT
 2. PINK COLOR WILL DISAPPEAR WHEN RUBBING TO REVEAL A GLOSSY FINGERPRINT OR SEAL
 DO NOT WRITE STAMP OR SIGN BELOW • RESERVED FOR FINANCIAL INSTITUTION USE

0030 91162

48-1003

1221017064 12457 90 PO
000009412/24156 04/10/00

THIS CHECK ALSO CONTAINS THE FOLLOWING SECURITY FEATURES:

1. MICRO PRINTING on borders on face and back.
2. LOOK FOR "FINGERPRINT SECURITY FINGERPRINT" on back.
3. Face of check has a COLORED BACKGROUND with the same background and colors as shown in the enclosures.
4. No. 5535250 5575310 5541193.
5. ARTIFICIAL FINGERPRINT & CERTIFICATION SEAL W/OLM on the check. Hold at angle to view. U.S. Patent No. 4,022,290.
6. Examine the watermarks as shown in the enclosures.
7. COMPARTMENTAL AREA contains a U.S. Patent No. 4,123,745 on back.
8. Printed on face contains a different background than the serial number.

THIS CHECK IS VOID WITHOUT A BLUE & GREEN BACKGROUND AND AN ARTIFICIAL WATERMARK CERTIFICATION SEAL ON THE BACK - HOLD AT ANGLE TO VIEW SEAL

30429313A et al

QUAIL CREEK WATER COMPANY
9532 E Riggs Rd
Sun Lakes, AZ 85248-7411

Bank One, NA
201 N Central Ave Dept 383
Phoenix, AZ 85038

91-2/1221 **300458**

Date	Amount
10/24/03	\$*****2,924.10

Pay
TWO THOUSAND NINE HUNDRED TWENTY FOUR AND 10/100 *****
Dollars

To
The
Order
Of
BETH FORD, PIMA COUNTY TREASURER
P O BOX 98765
PHOENIX AZ 85038-0765

SIGNATURE HAS A COLORED BACKGROUND • BORDER CONTAINS MICROPRINTING

U.S. PATENT 5,538,990; 5,575,008; 5,641,183

⑈300458⑈ ⑆122100024⑆0841 5331⑈ ⑆0000292410⑆

ENDORSE HERE

FOR DEPOSIT ONLY
TO THE CREDIT OF
BETH FORD
PIMA COUNTY TREASURER
PIMA COUNTY, ARIZONA
449-724458

DO NOT WRITE STAMP OR SIGN BELOW • ALL OTHERS WILL BE VOID

0007 17967

OCT 31 03 1

BANK ONE, NA
111901331
11032903
32457489

BANK OF AMERICA, NA TPE
122101736 E2685 99 P67
10/31/03
3250867264

THIS CHECK IS VOID WITHOUT A BLUE & GREEN BACKGROUND AND AN ARTIFICIAL WATERMARK CERTIFICATION SEAL ON THE BACK - HOLD AT ANGLE TO VIEW SEAL

U.S. PATENT 5,538,990; 5,575,008; 5,641,183

Location	Acct #	Check #	Amount	Issue Date	Paid Date	Sequence
CD	8415331	300458	\$2,924.10	11/3/2003	5240457489	
Customer Data	Bank #	GL Category	CD VOID/CIMS Key	CD Label		
	601	000000000000	20031128247401	20031128247401		

COMPANY NAME Quail Creek Water Company Inc

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>193,643</u>
Estimated or Actual Federal Tax Liability	<u>63,964</u>

State Taxable Income Reported	<u>193,643</u>
Estimated or Actual State Tax Liability	<u>13,493</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE5-17-04

DATEJames L. Poulos

PRINTED NAMEGeneral Manager

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
MAY 17 2004
ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Brian J. Smith - Controller</u>
COMPANY NAME
<u>Quail Creek Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 336,680

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 24,103
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27th

DAY OF

Brian J. Smith
SIGNATURE OF OWNER OR OFFICIAL
(480) 895-9200
TELEPHONE NUMBER

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>20 04</u>

Linda A. Schwartz
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

MAY 17 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

(COUNTY NAME) Maricopa	
NAME (OWNER OR OFFICIAL) Brian J. Smith	TITLE Controller
COMPANY NAME Quail Creek Water Company	

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 230,281

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 15,447
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

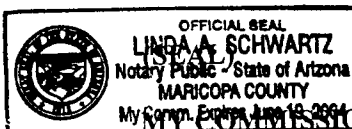
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27th

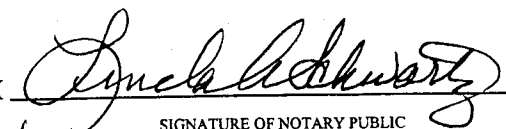
DAY OF

NOTARY PUBLIC NAME Linda A. Schwartz	
COUNTY NAME Maricopa	
MONTH April	20 04



MY COMMISSION EXPIRES

June 19, 2004

X 
SIGNATURE OF NOTARY PUBLIC